GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3406
ANSWERED ON:05.08.2016
Reduction of Revenue Deficit
Chandrappa Shri B.N.

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has set any target to reduce the revenue deficit in the country and if so, the details thereof;
(b) whether the Government has taken adequate measures to achieve the revenue deficit target and if so, the details thereof;
(c) the steps taken by the Government for revenue augmentation, both tax and non-tax sources;
(d) whether the Government has made any progress in its effort to bring down the revenue deficit; and
(e) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE FOR FINANCE (SHRI ARJUN RAM MEGHWAL)

(a): Yes Sir. In BE 2016- 17, revenue deficit of the Central Government is estimated at 2.3 per cent of GDP, a reduction of 0.2 per cent of GDP over 2.5 per cent of GDP (provisional) achieved in the financial year 2015-16.

(b) & (c): Fiscal consolidation has been designed with judicious mix of rationalisation in total expenditure as a percentage of GDP and improvement in gross tax revenues as a percentage of GDP. To mobilize higher amount of resources from both tax and non-tax revenue, Government has been taking legal, administrative and technological measures. On the expenditure side, Government has been taking measures for expenditure management, including through subsidy reforms etc.

(d) & (e): Progress made by the Government in its efforts to bring down the revenue deficit is provided in the following table:
<pre>
Financial Year Revenue Deficit (% of GDP)
2013-14 3.2
2014-15 2.9
2015-16 (provisional) 2.5
2016-17 (BE) 2.3
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Note: GDP at current prices, 2011-12 series. BE: Budget Estimates